What's happening in Brussels

Commission proposes driving and rest times better adapted for coach operators

ECTAA and IRU welcome the Commission <u>proposal</u> adopted on 24 May, the aim of which is to adapt existing EU rules on breaks and rest periods for drivers to better reflect the nature of occasional bus and coach services. Drivers in our sector have a different work rhythm compared to those in freight or regular passenger transport due to high seasonality and varying driving distances depending on passengers' tourist activities. The proposal includes the following changes:

• Breaks: drivers will be allowed to split their breaks (of a min of 45 minutes for 4.5 hours of driving) into two periods of a minimum of 30 and 15 minutes, or into three periods of a minimum of 15 minutes each. This will help them to take breaks more flexibly and at convenient • Daily rest periods: for trips of more than 8 days, drivers will be allowed to postpone the start of their daily rest period by one hour when the total daily driving period for that day does not exceed seven hours, or postpone it by two hours when the total daily driving period does not exceed five hours. • Weekly rest periods: the '12-day derogation', which allows drivers to postpone the weekly rest period for up to 12 consecutive days, will apply for both international and purely domestic trips. The conditions to use this '12day derogation' remain the same: the driver has to take a regular weekly rest period before the trip (min. 45 hours) and two weekly rest periods after the trip.

The proposed rules incorporate our <u>demands</u> on the extension of the 12 day derogation and more flexible breaks. ECTAA will coordinate with IRU on the next steps in view of the legislative decision-making in Council and EP.

Study to assess whether coach and bus passenger rights framework is still fit for purpose

The European Commission has mandated a fact-finding study on passenger rights in bus and coach transport. The overall aim of the study is to: assess the evolution of the bus and coach market; gather data on the current level of protection of passengers in bus and coach transport for scheduled services of less than 250 km; identify the concerns of the relevant stakeholders concerning the rights of passengers in bus and coach transport; find solutions Regulation 181/2011. identified issues or legal gaps of The ultimate goal is to prepare possible new rules for passenger rights in bus and coach transport and/or identify whether any change to the passenger rights framework is needed to better suit the recent market evolution.

As part of the consultation process, an <u>online questionnaire</u> has been launched to gather data from key stakeholders on the status of bus and coach passenger rights. Members are kindly invited to share this consultation with their Members and, where relevant, share any information to the Secretariat in view of providing an ECTAA contribution to the study. Deadline for providing input to the ECTAA contribution is 17 July (to <u>crusse@ectaa.eu</u>) and for direct response to the consultant is 31 July (<u>online questionnaire</u>).

Platform VAT proposal on agenda of the Council

An important discussion on the 'VAT in the Digital Age' package is scheduled in Council on Friday 16 June 2023. As part of the package, the Commission is proposing the introduction of a Deemed Supplier Regime (DSR) for platforms. Put simply, where a supplier of short-term accommodation (STA) or passenger transport selling through a platform does not charge VAT (e.g. because it is an exempt small enterprise), the platform would be required to account for VAT on behalf of the supplier, with all the complexity and VAT risk for the platform. ECTAA has joined 6 other organisations in opposing the DSR – see here. Member States will be invited on 16 June to agree on whether platforms should have an enhanced role in the collection of VAT on the supply of 'untaxed' STA and passenger transport services.

ECTAA has met with the French Permanent Representation to the EU in Brussels, who noted that there are still a lot of reservations on the proposal. Their view is that 'VAT complexity' for platforms is not a reason to drop the DSR proposal, but they are sensitive to "channel VAT neutrality" and the fact that the DSR will also apply to online travel agents, 99% of which are SMEs according

European Court of Justice: Repatriation flights not covered by Air Passenger Rights (261/2004)

A repatriation flight which is organized by a Member State cannot be considered a re-routed flight that the operating airline has to offer to passengers whose flight has been cancelled under Reg. 261/2004. This was ruled by the Court of Justice of the European Union on 8 June 2023 (case C-49/22). According to the ECoJ, only commercial flights should be considered transport conditions". "re-routing, under comparable If a passenger registers him/herself for a repatriation flight after the return flight was cancelled, he/she is not entitled to a reimbursement of the cost for the repatriation flight. The passenger may however invoke before a national court the failure of the operating air carrier to comply with its obligation to refund the ticket for the part of the journey not made or which has become unnecessary in relation to the original travel plan, as well as the duty of assistance, including the duty to inform, in the event of cancellation of a flight, incumbent all airlines. The ruling can found

Update Multimodal Digital Mobility Services (MDMS)

Multimodality – the economic dimension as well as the latest policy developments – were discussed in two panels during the last ECTAA Semi-Annual Meeting in Riga. We recently became aware of some new developments on MDMS that we were able to include in the discussions.

The latest proposal that the Commission is working on, was discussed internally again and two policy options (besides a "no action" scenario) were presented Commissioner for Transport Adina • Option 1: A "ambitious/heavy" approach where major operators will be forced platform to resell their tickets under **FRAND** o Policy option 1 would be applicable to all operators with over 50% market share (incl. • Option 2: A "lighter" approach where only re-linking to transport operators websites will be mandatory. Platforms will not have "a right" to resell tickets. (imagine metasearch) Policy option 2 would be applicable to operators o Under option 2, every MDMS would be obliged to display the data of willing operators

Commissioner Valean seems to have favored option 2, the light approach, which would mean a strongly reduced ambition for the MDMS Regulation. It seems that both options will be sent to the Regulatory Scrutiny Board for review signaling the preference of the Commission for option 2. The RSB may have concerns with policy option 2 as the Commission did not undertake the Impact Assessment with this approach in mind (meaning there will be a lack of relevant evidence/data). There is also a lot of Commission internal opposition from DG MOVE and DG COMP to Ms Valean's decision. In light of these latest developments around MDMS, ECTAA as part of a broad coalition of stakeholders representing a significant part of Europe's mobility ecosystem, including consumers and passengers, environmental groups, independent rail operators and ticket intermediaries sent an open letter to Frans Timmermans, Executive Vice President of the European Commission. The letter found be here.

An additional online workshop on MDMS by the Commission will take place online on 19 June from 14:00-15:30h CET. Interested members that want to participate in the workshop should send an email to cmoeller@ectaa.org.

Soon online applications for Schengen visa possible

ECTAA welcomes the <u>agreement</u> reached between the Council and the European Parliament on 13 June on the draft regulation aimed at digitalising the procedure for issuing visas. This will -among other- facilitate the visa application procedure for travelers to Europe, which ECTAA has been

The regulation introduces the possibility of applying for a visa online and replaces the current visa sticker with a digital visa to make the application process more efficient and improve security in the Schengen area. These rules will create a new European platform for visa applications. With a few exceptions, Schengen visa applications will be submitted via this platform, a standalone website, which will forward them to the relevant national visa systems. Visa applicants will be able to enter all relevant data, upload electronic copies of their travel documents and supporting evidence and pay visa fees. They will also be informed of decisions concerning their visa.

Appearing in person at the consulate will only be necessary for first-time applicants, persons whose biometric data is no longer valid and those with a new travel document. When a person intends to travel to several countries in the Schengen area, the platform will automatically determine which of these countries is responsible for processing the application, depending on the duration of the stay.

Further efforts against limitation of pre-payments in package travel required

The Commission has confirmed that the proposal to review the package travel directive (PTD) will be published "after summer", aiming now at September or even October. DG JUST has just submitted its impact assessment to the Regulatory Scrutiny Board (RSB). A negative opinion by the RSB will further postpone the publication the Most likely a limitation of prepayment will be included in the PTD proposal according to the latest scenario envisaged by the Commission (20% limitation of pre-payment at booking, but possibility to request more if justified). ECTAA has issued a <u>press release</u> to highlight again the absurdity of imposing restrictions on tour operators, the customers of which benefit already of a high level of consumer protection, including insolvency protection, while not imposing similar restrictions on their airline suppliers, which have in fact been the source of the majority of complaints during C19. Members are invited to raise awareness about the limitation of pre-payment at national level.

ECOJ: Covid-19 pandemic does not constitute case of force majeure allowing derogation from package travel directive

Judgments of the Court in <u>Case C-407/21</u> | UFC – Que choisir and CLCV and in <u>Case C-540/21</u> Commission v Slovakia (Right of termination without fees) Two French consumer protection associations challenged a government order, adopted in the context of the Covid-19 pandemic, authorising travel organisers to issue a voucher valid for 18 months and giving no right to reimbursement

of payments already made until the voucher has not been used. According to the French government, this derogation from the directive (2015/2302) governing package travel was intended to protect the solvency of the tourism sector.

In its ruling, the Court stresses that EU law aims to ensure a high level of consumer protection, and that refunds in the form of money are best suited to achieving this. It notes that the directive in question does not envisage the possibility of replacing the obligation on tour operators to reimburse payments made within two weeks of the cancellation of a package holiday, for example However, travellers may voluntarily vouchers. reimbursement the form vouchers. The European Court considers that the Covid-19 pandemic is likely to fall within the unavoidable and extraordinary circumstances in respect of which the directive prescribes full reimbursement. But it refutes the French government's argument that the pandemic also constitutes a case of force majeure going beyond what was envisaged when the directive was adopted and allowing the French legislation According to the Court, the conditions of force majeure are not met in the present case as: - the French order does not take into account the individual financial situation of the tour operators; - the effects of said regulation are not limited to the period strictly necessary to remedy the difficulties caused by the pandemic; - the negative financial impact on the sector could have been avoided by granting State The CJEU states that the national court hearing the case does not have the power to alter the effects of a decision annulling the disputed regulation. The Court follows, in essence, the reasoning summarised above in Case C-540/21 Commission v Slovakia and finds that in adopting a legislative amendment which temporarily denies travellers their right to terminate a package travel contract without paying termination fees and to receive a full refund, the Republic of Slovakia has failed to fulfil its obligation under the Directive package travel. on

Update EU Air Safety List

The EU Air Safety List, commonly known as EU blacklist, was updated on 7 June 2023. Ten airlines have been included (see also email of 13 June). The updated EU Air Safety List as PDF as well as Excel can be found here.

Sustainability Corner

Methodologies and tools to measure GHG

The <u>UNWTO report</u> on 'Climate Action in the Tourism Sector – An overview of methodologies and tools to measure greenhouse gas emissions' provides an interesting source of information on climate action efforts. It summarizes

current methodologies, establishing the approaches and frameworks guiding measurement and the tools available for practitioners to measure emissions. It also explores how the development of such methodologies and tools has progressed and what more needs to be done to support the sector to measure its

Case study on measuring GHG

To complement the "Overview of methodologies and tools to measure greenhouse gas emissions", a series of <u>mini webinars</u> on measurement of GHG are scheduled to showcase the efforts of several signatories of the Glasgow Declaration to advance climate action with emphasis on their approaches towards measurement and its impacts on decarbonization and regeneration.

Free sustainability training

Quick reminder that there are 18 on-demand online training courses on sustainability available from the Travelife platform. Companies members of associations that have signed a Memorandum of Understanding with SUSTOUR (see list here), can get free access to all the online training material available in the Travelife learning platform (travelife.info > Login > Learning > Online Courses > dropdown menu on the top right). If companies do not yet have a Travelife login, they first need to contact their association, who in turn will request a login access from Travelife. Take advantage of this, as free access to the Travelife platform is only available until end of 2023.

IATA Corner

PAPGJC and PAConf

The last meeting of the Passenger Agency Programme Global Joint Council (PAPGJC) followed by the Passenger Agency Conference took place from 31 May to 2 June in Geneva. ECTAA participated together with colleagues from WTAAA at the PAPGJC and the open session of the PAConf. We made comments and raised our concerns about the items of the agenda that we found critical (see email of 25 May). Voting was only possible for airline delegates and took place behind closed doors. An email was sent to members on 14 June with the voting results.

ECTAA 126th semi-annual meeting in Riga

Many thanks to ALTA for hosting the 126th semi-annual meeting in Riga on 8 and 9 June. The different meetings ran very smoothly thanks to a perfect organisation. Venue for the meeting and accommodation were perfect and the good coordination ensured the presence of interesting speakers for fruitful exchange of views.

We would like to thank also Inese Šīrava, head of the tourism department of LIAA, the Investment and Development Agency of Latvia, without whom we would not have been able to enjoy this amazing gala dinner at the House of the Blackheads (we will never prepare ice-cream as we used to do) and the nice post-meeting tour in the surprising and beautiful Jūrmala.

Dear colleagues from ALTA, we can all assure you, it was worth waiting 19 years!







Publications

The new <u>ETC Long-Haul Barometer 2/2023</u> is out. In short, Europe maintains its appeal, with about half of respondents intending to visit the region this summer being repeat visitors. Chinese and Brazilian travellers show the strongest enthusiasm for visiting Europe between May and August this year. In addition to the cost of travel products and services, weather conditions are pivotal for selecting a destination.

Open Surveys

Two surveys are currently open for input on the following:

• Commission <u>survey</u> on Single Market barriers in the EU tourism ecosystem – deadline 17 July. Feel free to share you input with ECTAA before 10 July to see whether an ECTAA contribution is appropriate

• <u>Skills survey</u> carried out in the frame of <u>PANTOUR</u>, the aim of which is to design innovative and cooperative solutions to address skills needs in the tourism ecosystem. The survey has been prepared to investigate whether a gap exists between current levels of skills in the tourism industry in the areas of Green, Social, Digital skills – Deadline 19 June.

Save the Date

19 June: ECTAA Air Matters Committee & Technology Working Group, online 19 June: Commission workshop on MDMS, online July: ECTAA Sustainability Committee, online **11-12 September**: Passenger Agency Programme Global Joint Council 12-14 September: Hybrid SUSTOUR peer-to-peer learning event for SMEs, Lisbon 26-28 September: World Aviation Festival, Lisbon 17-19 October: Α World Travel, Seville for

30-31 October: ECTAA semi-annual meeting, Porto

Don't forget to follow us on Twitter: <u>@ECTAAEurope</u> LinkedIn: <u>ectaaeurope</u>

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